

# A look at our updated final audit statement

At the end of a policy term, you and your Texas Mutual clients may receive a final audit statement. Based on feedback, we added a new resource on the statement that provides a clearer explanation about how we calculated your client's final estimated billing called the "estimated billing adjustment calculation."

Find an example and more information below.

As a reminder, the final audit statement is not an invoice. Any credits or additional amounts owed will be addressed separately.



## ▶ Example of new section on final audit statements

### Estimated billing adjustment calculation

Initial premium + policy changes	56,773.00
Final audit adjustment	(11,706.00)
Final calculated earned premium	45,067.00
Total premium charges	47,179.25
<b>Final estimated billing adjustment</b>	<b>(2,112.25)</b>



## ▶ What do these terms mean?

- ▶ **Initial premium + policy changes:** Written premium including any policy changes during the policy term
- ▶ **Final audit adjustment:** The difference between the initial premium + policy changes and the final audit premium
- ▶ **Final calculated earned premium:** Final premium based on the final audit results
- ▶ **Total premium charges:** The amount billed during the policy period (may not reflect amount paid)
- ▶ **Final estimated billing adjustment:** The difference between final calculated earned premium and total premium charges

You and your clients can view the latest billing activity in your [texasmutual.com](https://texasmutual.com) accounts. We're glad to bring an update that can make the final audit statement easier to understand for our customers.



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